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FM AMEMBASSY PORT AU PRINCE  
TO SECSTATE WASHDC PRIORITY 0320  
INFO HAITI COLLECTIVE PRIORITY  
AMEMBASSY SANTO DOMINGO

UNCLAS PORT AU PRINCE 000758

STATE FOR WHA/EX AND WHA/CAR  
S/CRS  
SOUTHCOM ALSO FOR POLAD  
STATE PASS AID FOR LAC/CAR  
INR/IAA  
WHA/EX PLEASE PASS USOAS

E.O. 12958: N/A

TAGS: [ECON](#) [ENRG](#) [EAID](#) [EAGR](#) [EINV](#) [ETRD](#) [BEXP](#) [HA](#)

SUBJECT: HAITI ECONOMIC WEEKLY UPDATE FOR AUGUST 10 TO AUGUST 14,  
2009

¶1. (U) Summary. This is a weekly report on a variety of topics of interest which do not merit full reporting cables. End summary.

#### Call to Action

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¶2. (U) The Second Congress of the Haitian Diaspora met in Miami on August 6 through 9. GoH Prime Minister Michele Pierre Louis and former U.S. President Bill Clinton, the Special Envoy of UN Secretary General for Haiti, were present. The Prime Minister challenged all Haitians to unite and face the problems in Haiti. President Clinton expressed his readiness to attract investors to Haiti and work as a facilitator but emphasized that the main work must be done by Haitians.

#### New Kid in Town

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¶3. (U) Simpson Oil Limited (SOL), a Barbados company, purchased the ESSO gas stations in Haiti. The first SOL gas station opened August 6 in Ption-Ville. SOL, like all other fuel distribution companies in Haiti, gets its product through the GoH, which receives all of its fossil fuels from Venezuela under a PetroCaribe agreement.

#### Environmental Cooperation

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¶4. (U) The Ministers of Environment for Haiti, Cuba, and the Dominican Republic signed the Caribbean Biologic CorridorQs Plan of Action on August 7. The plan aims at spurring environmental, social, economic, and cultural projects in the region and coordinating policies of the three countries to protect the environment. UNDP (United Nations Development Program) and UNEP (United Nation Environment Program) both support the Corridor.

#### More Miles to the Dollar

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¶5. (U) On August 10, the price of gasoline 95 in Haiti decreased 10 percent from HTG 182 to HTG 164 (USD 4.55 to USD 4.10); the price of gasoline 91 went down 12 percent from HTG 180 to HTG 159 (USD 4.50 to USD 3.98). The price of diesel decreased 11 percent from HTG 115 to HTG 102 (USD 2.88 to USD 2.55), and the price of kerosene dropped 9 percent from HTG 109 to HTG 99 (USD 2.73 to USD 2.48).

#### H1N1 Flu Update

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¶6. (U) According to the General Director of the Health Ministry, Haiti has ten confirmed cases of the H1N1 Virus, also known as Swine Flu.

#### All that Glitters

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¶7. (U) PHI GROUP, a California-based mining company, has signed an agreement with VCS Mining, of Nevada, to implement mining operations

in Haiti's North-East and South-East Departments. The VCS-PHI joint venture will initially focus on exploration in selected locations that are expected to show significant mineral deposits (mainly gold and copper). (Note: Newmont Mining, the U.S.-based number two global gold mining company, is already moving ahead on surface and subsurface gold mining operations in two places in Haiti. End note.)

#### National Budget

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¶18. (U) The President of the Finance Commission of the Lower House of Parliament expressed doubts that the budget will pass until the so-called Q14th monthQ bonus (paid before the start of the school year to offset parentsQ expenses) and funds for local communities are included in the draft presented to Parliament.

¶19. (U) The Prime Minister appeared before the Lower House of Parliament to defend the funding for her office and guarantee proper management of the HTG 720 million (USD 18 million) allocated to the Prime MinisterQs office.

¶10. (U) The Prime Minister and three of her ministers (Finance, Planning, and Public Works) attended a Senate session to outline the GoH budgetary approach for FY10. According to Minister of Finance Dorsainvil, the 14th month salary bonus will not be paid out this year, but the GoH will guarantee every employee in the public sector a minimum wage of HTG 6,000 (USD 150) per month. (Note: The 13th month and 14th month bonuses are extra months wages paid to public sector employees in late August/early September for school expenses and again at the end of the year for holiday expenses. This expenditure has historically been a line item in the national budget. End note.)

¶11. (U) The Lower House postponed the session to vote the FY10 budget; passage is mandated by the end of August.